



KMRC HOME LOANS ELIGIBILITY CRITERIA

Eligible Property	The property must be a residential unit for owner occupation or occupation by immediate relatives of the owner
Eligible Loans	Purchase of a new or existing residential property
Eligible Borrowers	Kenyan Citizens: Salaried and self-employed with verifiable income
Term	Up to 25 years
Interest rate	Fixed for the tenor of the loan
Currency	KES
Mortgage Loan Limit	Up to Kes. 10.5 Million
Loan to Value Ratio (LTV)	Up to 105% maybe considered where the PML has adequate safeguards of insurance (Collateral replacement indemnity) and or cash cover margins
Payment to Income ratio	up to 2/3 of Net Income (Where applicable)
Delinquency	All loans submitted for refinancing must be current, without delinquencies
Property valuation	Property financed to be valued as per standards established by KMRC
Tenure of Property	Minimum unexpired lease term of 40 years
Title	Good legal title free from encumbrances
Insurance	100% of appraised value or reinstatement cost
Life Insurance	Required for outstanding balance of home loan
Over-collaterization	The nominal value of pledged home loans will exceed the aggregate outstanding balance of the loans to the financial institution by 120 %

Replacement of collateral	PML to periodically replace home loans in default with performing loans to maintain over-collaterization level
----------------------------------	--